



U. S. DEMANDS EXACT STAND OF CARRANZA

Insulting Statement Gives Situation More Serious Turn

COUNTER PROPOSALS EXPECTED ON TROOPS

Congress Adjourning Over the "Fourth" Regarded as Good Omen

WAR MOVES CONTINUE

Mexico Probably Will Insist on Evacuation and Promise Bandit Curb

The United States will not go to war with Mexico instigated by the mere words of the de facto Chief.

Action in reference to the American troops now in the southern republic will determine President Wilson's policy.

Washington does not regard the Foreign Office's insulting statement in Mexico City, issued yesterday, as indicating the exact attitude to be expressed to the American Government.

However, it gave the situation a more serious turn.

The formal reply of Carranza to the note of last Sunday is awaited before steps will be taken.

Meanwhile, however, Washington is growing impatient over the typical Carranza dallying and has requested an early reply.

It is expected Carranza will insist on withdrawal of the troops, coupling with the demand the pledge that the de facto Government is able to take care of the bandit situation.

Large Carranza forces have massed at the border. What American officials do not know is whether this movement is to curb bandits or to attack the American troops.

Thus far, Carranzistas have not been particularly hostile to bandits. They have attacked the Americans.

Counter proposals from Carranza would have the effect of placing the next move up to the United States.

The President is willing to receive any reasonable proposition. However, in the interim, the Trevino order against movement of the American troops stands, and any aggression would precipitate attack.

It is intimated Mexico is sparring for time in order to gather her forces.

MEXICO EXPECTED TO OFFER COUNTER-PROPOSALS ON THE STATUS OF U. S. EXPEDITION

WASHINGTON, July 1.—Administration officials were gravely concerned today over the delay by First Chief Carranza in forwarding formal reply to the American ultimatum of last Sunday demanding to know the attitude of the de facto Government toward the expeditionary forces now in Mexico.

While the statement issued in Mexico City yesterday by the Foreign Office is not regarded as the official statement of the de facto Government's position, the Administration is convinced that Carranza, in the face of the sentiment of the Mexican people will not unqualifiedly consent to the entry of American troops in Mexico.

In some circles it is believed that the de facto Mexican Government will reiterate that it cannot permit movements of American troops in any direction but toward the border, but will accompany that statement by a declaration that it now is fully prepared to prevent any further bandit raids against American territory.

It also was suggested that a reply to

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THE WEATHER

Where's a feeling of emphasis with the departure of the ad men, who make everything and everybody famous. Now that our local thrills have gone, we'll have to be satisfied reading about the assorted doings of one Mr. Carranza. He is not unlike our friend Mr. Ajax, who frequently raved at the lightning for want of a better occupation, but this wretched element continued its career, nevertheless, and flashed its indignation at will to all corners of the earth.

FORECAST

For Philadelphia and vicinity—Fair weather and moderate temperatures tonight and Sunday; gentle, northerly winds, becoming variable.

LOST AND FOUND

LOST.—Lost, certificate of membership of George W. Smith, president, of the Voluntary Firemen's Mutual Relief Association, Philadelphia, Pa. A. A. B. SMITH, 1515 N. 10th St., Philadelphia, Pa.

ANGLO-FRENCH ARMIES BEGIN TERRIFIC DRIVE; OCCUPY MORE THAN 16 MILES OF TRENCHES

Allies Open Fierce Offensive and Smash Germans' First-Line Defenses—Teutons Regain Thiaumont on Verdun Front

Russians Occupy Kolomea, Key to Lemberg—Panic-Stricken Troops of Dual Monarchy in Retreat. Italians Push Relentless Pursuit of Foe in Trentino

LONDON, July 1.—The supreme offensive of the Allies began at 7:30 o'clock this morning with one of the greatest Anglo-French gains on the western front since the German retreat from the gates of Paris.

Two hours after British troops drove forward they had captured 16 miles of German forward trenches north of the Somme, the War Office announced in a brief bulletin.

French troops on the British right struck at the same hour. The British War Office announced that the French made "equally satisfactory" gains, leaving to General Joffre the honor of announcing the full extent of the French successes.

The British attack was made on a 20-mile front north of the Somme after one of the most terrific four-day bombardments the world has ever known. With German advanced trenches firmly held, the British pressed forward to the attack at 9:30 o'clock. The latest dispatches to the War Office said the battle was proceeding with the utmost violence on both the British and French fronts.

Many prisoners have been taken, but it is impossible at this hour to obtain any estimates on the number captured or the losses. Fragmentary dispatches from the front report Allied casualties have been light.

On the remainder of the British front raiding parties continue to harass the Germans, penetrating enemy defenses at many points, inflicting losses and taking prisoners.

The War Office at 2:30 o'clock this afternoon issued a statement warning that in the interests of public safety there should be no traveling on the Continent except for the most serious reasons. All persons intending to leave for the Continent were warned that they would undergo the strictest examination under the passport regulations and close search of their persons and baggage.

The combined British and French drive began a few hours after the Germans launched the most powerful onslaughts against Verdun in many weeks. The Crown Prince hurled his legions against the French works east and west of the Meuse. The French War Office announced that on every sector the Germans were repulsed with appalling losses, except on the northeastern front, where the French were again driven out of Thiaumont work.

The Galician railroad center of Kolomea, the strategic value of which was emphasized in recent dispatches, is in the hands of the Russians, according to an official announcement made last night at Petrograd. The fall of Kolomea is by far the heaviest blow dealt to the Austro-German armies by General Brusiloff after the capture of the Volhynia fortified triangle and of Czernowitz, as it opens the way to an attack on Lemberg and, what is of more immediate import, renders untenable the Austro-German line of defense along the Stripa River.

Aside from the fact that the Austrian southern wing, which had to give way to the rapid and powerful onslaught of the Russian left wing in Bukovina, must either cross the Carpathians into Hungary or cross the Rumanian frontier and be interned, the more immediate result of the fall of Kolomea will be the probable readjustment of the Austro-German line which passes through Tarnopol, thus giving the Russians the chance to maneuver west of the Dniester and seriously endanger the Teuton army defending the approaches to Lemberg from the east.

The Italians are pushing their offensive in the Trentino region and have reached the Austrian main line of defense. While their attacks do not yet warrant the belief that the big offensive on the east Italian front has really begun, they continue from the Gorizia bridgehead to the Monfalcone sector.

JERSEY TROOPS WAIT FOR MOUNTS AS LAST INFANTRYMEN LEAVE

Horse Guardsmen Impatient as Fourth Regiment Leaves Them Behind—Fielder Criticizes Government's Delay

D AND B GROW RESTLESS

SEA GIRT, N. J., July 1.—All the New Jersey National Guardsmen called by President Wilson, except Troops B, of Red Bank, and D, of Plainfield, are on the way to the Mexican border this afternoon.

The 4th Regiment, of Jersey City, the last of the infantry, was off before noon. On another train went the Signal Corps of Jersey City. The two troops remain because of nonarrival of horses promised by the Government.

The 4th Regiment men, who slept in shelter tents last night, were up early, and after a hearty breakfast broke camp. Headed by a volunteer band, with Colonel George T. Vickers in the lead, they marched past Governor Fielder, who stood with a group of friends on the porch of his cottage. The regiment goes by way of Buffalo and Chicago to El Paso.

On the headquarters train went Brigadier General Edwin W. Hine; his adjutant, Major Alexander P. Gray; and his two aides, Lieutenants H. V. D. Moore and John V. Hincliffe. He will resume command of the brigade at the border.

The signal corps worked nearly all night untrusting.

John Goppat, a civilian, of 797 Bergen Avenue, Jersey City, was shot in the neck by a stray bullet yesterday while riding with his wife in a trolley car. He was taken to a hospital at Spring Lake, and this morning he was reported resting comfortably. The only theory in explanation of the shooting is that some recruit, experimenting with a gun turned it toward the trolley line and fired.

Governor Fielder said emphatically he would not let the remaining troops go until the horses were here, and said that New Jersey, having been the first State to mobilize, should have been the first State supplied.

Two hundred and ninety-three soldiers' kits, containing needles, buttons and thread and other small necessities, were received today from women at Asbury Park, and given to the soldiers. They were brought here by Mrs. J. Frank Appleby, wife of a former Asbury Mayor.

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MAX MARSTON AND WHITE ADVANCE INTO SEMIFINALS

Former Jersey Champion Defeats Brown in Sleepy Hollow Tourney, 4 and 3

MAXWELL IS ELIMINATED

SCARBOROUGH, N. Y., July 1.—Max R. Marston, of Baltusrol, and Gardiner W. White, of Flushing, admittedly two of the best golfers in the Metropolitan district, won their semifinal round matches in the invitation tournament at the Sleepy Hollow Country Club today. White defeated L. W. Maxwell, of the home club, 2 up and 1 to play; while Marston eliminated Charles H. Brown, of St. Andrews, 4 and 2.

White began well by winning the first hole in 4 from Maxwell, who had a poor second shot, and took 6. A bit of hard luck cost the Flushing man the second hole. His drive brought up in the rough only a few yards off the course, but a long search failed to find the rubber cue.

NEW REVENUE BILL TO ADD \$210,000,000 TO NATION'S COFFERS

Income Tax More Than Doubled, Inheritance Tax Established, Heavy Burden Placed on Munition Manufacture

PROTECTION FOR DYES

By a Staff Correspondent

WASHINGTON, July 1.—The largest revenue bill ever brought in for the approval of Congress was reported today to the House from the Ways and Means Committee.

Experts say the bill will raise approximately \$210,000,000 additional revenue as follows:

- \$100,000,000 from incomes.
\$60,000,000 from inheritance.
\$50,000,000 from munitions.

OUTSTANDING FEATURES.

The outstanding features of the bill are: The income tax is more than doubled all along the line.

A new tax on inheritances is proposed applying to inheritances over \$50,000.

A tax is levied on the profits of manufacture of munitions of war, from which it is expected to raise \$50,000,000.

Stamp taxes levied under the first war revenue act are virtually all abolished.

Protection is afforded the dyestuff industry.

A nonpartisan tariff commission is created.

Payment of expenses incident to Mexican expedition to be met by issue of bonds.

Antidumping competition clause substituted for antidumping clause.

New method of taxing theatres.

The income tax will be: The present exemption of \$3000 for a single man and \$4000 for a married man is retained.

The present tax of 1 per cent. is raised to 2 per cent. on all incomes of \$20,000 or less.

The tax is then graduated as follows: On incomes from \$20,000 to \$40,000, 1 per cent. additional; between \$40,000 and \$50,000, 2 per cent.; between \$50,000 and \$60,000, 3 per cent.; between \$60,000 and \$100,000, 4 per cent.; between \$100,000 and \$150,000, 5 per cent.; between \$150,000 and \$200,000, 6 per cent.; between \$200,000 and \$250,000, 7 per cent.; between \$250,000 and \$300,000, 8 per cent.; between \$300,000 and \$500,000, 9 per cent. and 10 per cent. additional on all incomes in excess of \$500,000.

Domestic building and loan associations and farmers' fire mutual insurance companies, mutual or co-operative telephone companies or like organizations, the incomes of which depend solely on dues or fees collected from members, will be exempted from the provisions of this act.

INHERITANCE TAX.

The inheritance tax provisions are: The tax is made payable on all inheritances over \$50,000 within one year after the death of the decedent and is graduated as follows:

On estate which nets from \$50,000 to \$150,000, 2 per cent.; between \$150,000 and \$200,000, 3 per cent.; between \$200,000 and \$300,000, 4 per cent.; between \$300,000 and \$500,000, 5 per cent.; over \$500,000, 6 per cent.

ALLENTOWN WIFE SLAYER CONVICTED OF FIRST DEGREE

Prisoner Calmly Chews Gum as Jury Returns Verdict

ALLENTOWN, Pa., July 1.—After having been out all night, the jury that tried Jonas Brobst for the murder of his wife, Jennie, on May 1, returned a verdict of guilty in the first degree at 9 o'clock this morning. Brobst made no defense, except a plea for mercy through his attorney, Dallas Dillinger, whose offer of a plea of guilty in the second degree was overruled by the court.

Brobst was unmoved by the verdict and calmly chewed gum. One of his sisters fainted. Judge Groman said he would give Brobst's attorney 30 days to file reasons for a new trial. If the sentence carried by the verdict goes into effect, Brobst will be Lehigh's first victim of the electric chair.

TRAIN TO ST. GEORGE'S TOMORROW

Bombardier July 2, Pennsylvania R. R. Leave Broad Station, 8:30 A. M. For St. George's, Md. Arrive 11:30 A. M. E. S. T. 100 P. M. 1916.

QUICK NEWS

HOUSE PASSES SOLDIERS' RELIEF BILL

WASHINGTON, July 1.—The Hay resolution appropriating \$2,000,000 for the relief of dependent wives, children and mothers of married militiamen, was passed by the House today by a vote of 296 to 2. It gives the Secretary of War power to pay a family without income \$50 per month. Representatives James, Michigan, and Small, North Carolina, voted against the bill.

FRENCH REPULSED AT THIAUMONT, BERLIN SAYS

BERLIN, July 1.—The German War Office today reported that the fighting is growing more violent in the Somme section (the English front). In the Verdun sector the repulse of French attacks in the Thiaumont region was reported.

WOULD SELL WAR BONDS TO GENERAL PUBLIC

WASHINGTON, July 1.—Senator Lewis of Illinois today urged Secretary of the Treasury McAdoo to recommend that if war bonds are issued, they shall be in small denominations and sold to the general public, possibly through the postal savings bank.

AVIATION SERVICE FOR COAST GUARD

WASHINGTON, July 1.—The Montague bill providing for an aviation service in the coast guard was reported to the House for passage today by the Committee on Interstate and Foreign Commerce. The bill has the approval of the Treasury Department and various aeronautic societies.

GERMANS RESTRICT PERSONS LEAVING POLAND

WASHINGTON, July 1.—German authorities will not permit persons to leave that part of Poland occupied by German troops for America unless their applications are accompanied by steamship tickets for passage to the United States. The State Department was informed of this decision today in a cablegram from the American Consul at Berlin.

CARRIGAN AND GRIFFITH INDEFINITELY SUSPENDED

CHICAGO, July 1.—Manager Carrigan and Catcher Agnew, of the Boston Red Sox, and Manager Griffith and Shortstop McBride, of the Washington Senators, were put under indefinite suspension today to President Johnson, of the American League, for their part in a fight in yesterday's Boston-Washington game at Washington. Johnson said he would make a thorough investigation before ordering additional penalties.

GOVERNOR NAMES EXAMINING ACCOUNTANTS

HARRISBURG, July 1.—Governor Brumbaugh today appointed the following members of the Board for the Examination of Accountants: James W. Fernelly, Philadelphia; Adam A. Ross, Philadelphia; B. Frank Nead, Harrisburg; Frank Wilbur Main, Pittsburgh; James E. Hindman, Pittsburgh.

LLOYD-GEORGE PREPARES TO TAKE KITCHENER'S POST

LONDON, July 1.—The details of Minister of Munitions Lloyd-George's appointment to the War Office to succeed Lord Kitchener have been arranged, the Daily Chronicle stated today. A perfect understanding exists between Lloyd-George and the general staff, the Chronicle said.

MEXICANS RESTORE AMERICANS' PROPERTY

WASHINGTON, July 1.—Protests of the State Department two days ago against the seizure of property of Americans in the States of Coahuila and Manzanillo already had had effect. The department was officially advised today that the Carranza authorities in Coahuila are rounding up live stock and other rolling property taken from Americans and will restore them to the owners at once. In Manzanillo part of the gold and silver bullion taken from Americans already has been recovered and it is said the rest will be restored to the owner at once.

TEN SHOT IN PRO-LIEBKNECHT RIOTS IN BERLIN

LONDON, July 1.—Ten persons were seriously shot and 50 arrested in the pro-Liebknecht riots in Potsdammer platz, Berlin, the Amsterdam correspondent of the Central News asserted today. Most of the participants were Socialists. A guard has been thrown about the plaza to prevent similar demonstrations. The correspondent also asserted that 39 Socialist organizers who participated in a hunger parade in Liege were arrested and taken to Germany.

'WHY WORRY?' TROOPS ASK AS THEY GO SOUTH

'We'll Show Those Greasers,' Second Regiment Men Sing

RUSH TO THE BORDER; ALL'S WELL ON TRAIN

'We're on the Road to Action,' Soldiers Cry as They Go

HOME CITY MEMORY NOW

Drills, Routine of Camp Life and Possible Entry Into Mexico Loom Ahead



COL. HAMILTON D. TURNER Commanding the 2d Regiment of Philadelphia, which is now on its way to El Paso.

ON BOARD SECOND REGIMENT PENNSYLVANIA TROOP TRAIN, July 1.—"Good fellows get together" at 10 o'clock this morning, when the two sections bearing the Second Regiment met at Brunswick, Md., on the Potomac, six miles from Harper's Ferry. The first section added 15 horses for the use of the officers.

The 5000 inhabitants gave the Philadelphia troops a rousing welcome, little girls struggling and reaching up for the touch of a soldier's hand. Several companies of the Second and Third Battalions were ordered out and took light running exercise.

Captain George Van Horn Moseley, of the Army General Staff, today was assigned by Secretary of War Baker to be chief of staff of the Pennsylvania militia, with the rank of colonel. Colonel Moseley will proceed immediately to Mount Gretna to assume complete charge of the Pennsylvania Guard now mobilizing there.

By CARL L. ZEISBERG (Message dropped from train at Union Station, Washington.)

SECOND PENNSYLVANIA REGIMENT TROOP TRAIN, en route to El Paso, July 1.

Away at last.

It seems almost unbelievable to the 1916 men in the 2d Regiment, after the turmoil of mobilization, the doubt, the obstacles, the worry, the delay, the handicaps, the false starts, the indecision, the postponement, the stirring order to entrain, the counter-order not to do it, the exciting order to do it, that they actually are on their way today in a general direction southward toward the troubled border of Mexico.

Yes, it is true. The 2d Regiment of Philadelphia, Colonel Hamilton D. Turner commanding, is on its way to El Paso in two sections, rolling through town after town, while the bands crash and boom, and the noses that line the station platforms are uncountable.

With the cheers (and the tears) of Philadelphia left back there in the night, in the crowded station, with the kisses of loved ones on their lips—the lucky ones—these soldiers, the first infantry host the State has furnished the nation in her hour of need, the chosen few of many, are speeding toward that zone where men are needed. It is a bliss, after six days of grilling work and inaction, if that is not an inconsistency, on the rolling green and iron-red heights of Mount Gretna.

Now the bliss of sitting late-at-night in wooden passenger coaches with the prospect of five, six or perhaps seven days of it, was not attained until the fates were loosened and tied with every knot known to sailor and cowboy in those last hours of entrainment at Colobrook.

The cars are of wood, to be sure, but they are "the for white man," a quality recognized by Brigadier General Price and Colonel

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